

FOR IMMEDIATE RELEASE

FOR: MERIT OIL LTD. and CASTLE TIN MINES LIMITED

REFERENCE: Scott-Atkinson, Only, International Limited
51 Prince Arthur Avenue, Toronto 5

CONTACT: David Scott-Atkinson
Telephone: 929-3186 or 822-1077


SUBJECT: MERIT/CASTLE DRILL HOLE RESULTS

TORONTO, May 17..... Merit Oil and Castle Tin told shareholders that the results of four drill holes from their Woodsreef asbestos property in New South Wales, Australia, have confirmed the expectations of their geologists.

The results are contained in a shareholder letter of May 17 attached to a report from consulting geologists and engineers, Watts, Griffis and McOuat. According to the report dated April 24, three of the four holes were located 900 feet north of all previous drilling. The fourth is 1600 feet north. The purpose of this drilling, says the report, was to illustrate that the overall 90,000,000-ton potential was reasonable and that the grade of the fibre zones in the north end was economic.

Also enclosed for shareholders was a map locating twenty-five drill holes in the current program said to be one of the largest ever let in Australia.

Merit and Castle are planning to merge. Shareholder approval will be sought at meetings scheduled for May 27th.



Digitized by the Internet Archive
in 2023 with funding from
University of Alberta Library

https://archive.org/details/Meri0799_1968

CASTLE TIN MINES LIMITED



Suite 1015, 159 Bay Street,
Toronto 1, Ontario / Telephone 363-1108

17 May 1968

Dear Shareholder:

As promised in our letter of April 5th, I am writing to let you know of the results of four drill hole cores which were reported awaiting assay at the Quebec Department of Mines laboratory.

They are from the northern part of the Woodsreef asbestos property in New South Wales, Australia, some 1600 feet from the closest drill hole previously completed. The results have confirmed the expectations of our geologists and engineers, Watts, Griffis and McOuat. Their report, which sets out their views in detail, is attached.

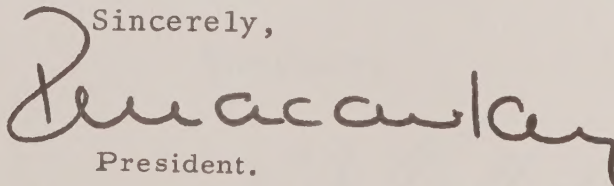
The drilling objective was to illustrate that the overall 90-million ton potential was reasonable and that the grades of the fibre zones in the north zone could be economic.

You will see that two of the four cores have now been mill tested. Eight of the ten samples have been found to be of higher value than the visual values.

I am enclosing a map of the area, locating the 25 drill holes.

We shall continue to keep you fully informed as to developments.

Sincerely,


President.

Enclosures

P.O. BOX 5520.
STATION A,
CALGARY, ALBERTA
TEL. 252-0161

Merit Oil Ltd.

SUITE 1015,
159 BAY STREET,
TORONTO, ONTARIO
TEL. 363-1108

17 May 1968

Dear Shareholder:

As promised in our letter of April 5th, I am writing to let you know of the results of four drill hole cores which were reported awaiting assay at the Quebec Department of Mines laboratory.

They are from the northern part of the Woodsreef asbestos property in New South Wales, Australia, some 1600 feet from the closest drill hole previously completed. The results have confirmed the expectations of our geologists and engineers, Watts, Griffis and McOuat. Their report, which sets out their views in detail, is attached.

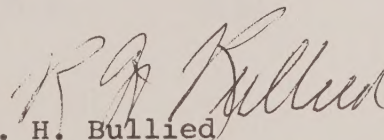
The drilling objective was to illustrate that the overall 90-million ton potential was reasonable and that the grades of the fibre zones in the north zone could be economic.

You will see that two of the four cores have now been mill tested. Eight of the ten samples have been found to be of higher value than the visual values.

I am enclosing a map of the area, locating the 25 drill holes.

We shall continue to keep you fully informed as to developments.

Sincerely,


R. H. Bullied
President

Enclosures

Watts, Griffis and McOuat Limited

CONSULTING GEOLOGISTS AND ENGINEERS

SUITE 911 - 159 BAY STREET

TORONTO 1, CANADA

CABLE ADDRESS: WATGRIF

EMPIRE 4-6244

April 24th, 1968.

Mr. R. W. Macaulay,
President,
Castle Tin Mines Limited.

Mr. R. H. Bullied,
President,
Merit Oil Limited.

Gentlemen:

Prior to the commencement of the detailed drilling programme recommended in our report of November 7th, 1967, it was decided to test in a preliminary manner the northerly strike extension of the main fibre zone with four drill holes.

Three of these holes were located on Section 75, 900 feet north of all previous drilling. The fourth was on Section 82, 1,600 feet north of all previous drilling.

The purpose of this drilling was to illustrate that the overall 90,000,000-ton potential, as envisaged by ourselves, was reasonable and that the grade of the fibre zones in the northern end was economic.

The four drill holes have confirmed our expectations. To-date the results are as follows:

<u>Section</u>	<u>Hole</u>	<u>Sample No.</u>	<u>From</u>	<u>To</u>	<u>Length</u>	<u>Visual \$ Value</u>	<u>Milled \$ Value</u>
75	24	-	74.9	145.8	70.9	6.45	Not Yet Tested
		-	145.8	252.4	106.6	2.50	"
		-	252.4	280.0	27.6	5.70	"

April 24th, 1968.

<u>Section</u>	<u>Hole</u>	<u>Sample No.</u>	<u>From</u>	<u>To</u>	<u>Length</u>	<u>Visual \$ Value</u>	<u>Milled \$ Value</u>
75	23	173	109.3	154.7	45.4	1.50	1.71
		174	154.7	230.0	75.3	3.25	4.32
		175	255.7	308.6	52.9	2.28	2.89
		176	308.6	366.5	57.9	4.88	6.58
		177	366.5	431.8	65.3	2.59	5.25
75	25	-	149.8	196.1	46.3	2.80	Not Yet Tested
		-	196.1	240.0	43.9	2.85	"
		-	255.8	314.0	58.2	3.15	"
82	22	168	12.0	40.7	28.7	11.14	9.36
		169	162.5	215.8	53.3	4.45	11.54
		170	256.2	318.2	62.0	4.78	5.81
		171	331.0	360.5	29.5	5.16	5.92
		172	372.2	454.7	82.5	2.50	2.12

I have enclosed with this letter a location map showing all the holes up to Hole 25.

We will be reporting in detail the results of the drilling programme as they become available.

Yours very truly,

Jack F. McOuat.

JFM:cd
Encl.

Jack F. McOuat.

